

### QUARTERLY STATUS REPORT



### COMPACT GOAL

The five-year, \$698 million Compact will stimulate economic growth, increase household incomes, and raise the quality of life in program areas through targeted infrastructure investments in transportation, energy and water.

### COMPACT AT A GLANCE

Compact Signed	02-17-2008
Entry Into Force	09-17-2008
Compact End Date	09-17-2013
Compact Total	\$698,136,000
Amount Committed	\$629,686,321
Amount Expended	\$365,316,641
Estimated Program Beneficiaries	5,425,013
Estimated Increase in Household Income	\$1,336,000,000

### % OF TOTAL COMPACT BUDGET (USD MILLIONS)

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53%	Transport Sector Project	\$366.8
<b>30</b> %	Energy Sector Project	\$207.2
9%	Water Sector Project	\$64.2
7%	<b>Program Administration And Control</b>	\$46.0
1%	Monitoring And Evaluation	\$8.2





## **Transport Sector Project**

Increase cash crop revenue and tourism by paving and upgrading of more than 430 kilometers of trunk roads on the mainland; upgrading Mafia Island Airport; paving and upgrading 35 kilometers of rural roads on Pemba Island; and providing support to enhance Tanzania's capacity to maintain its road network and improve road safety.

# Projected Long-Term Results (Up to 20 years)

ESTIMATED BENEFICIARIES

ESTIMATED INCREASE IN HOUSEHOLD INCOME

1,624,552

### \$427,000,000

20-year projected benefits are based on the best, currently available, information and may be updated if new, more reliable, data are available.



### PROJECTED RESULTS BY END OF COMPACT

Pave and improve 430 kilometers of high-traffic roads on Tanzania's mainland; pave and improve 35 kilometers of rural roads on Pemba Island; and pave 1.4 kilometers of airport runway with associated site improvements for the Mafia Island Airport.

### PROGRESS TO DATE

Construction contracts for all six Mainland Trunk Road Activity segments (over 430 kilometers), Pemba Rural Roads, and Mafia Island Airport Activity have been signed and construction is underway.

### PROJECT ACHIEVEMENTS

In collaboration with MCC and other donors, the Government of Tanzania established a new National Road Safety Policy, approved by the cabinet in 2009. The policy will create a Road Safety Board with autonomy and funding. Road maintenance expenditures are on track.

#### PROJECT COST TOTAL CONTRACT COMMITMENTS TOTAL PROJECT EXPENDITURES<sup>†</sup> **Energy Sector Project** \$182.548.144 \$124.634.658 \$207.239.228 Increase economic activity by improving electricity YEAR 1 YEAR 2 YEAR 3 YEAR 4 YEAR 5 availability and quality through manufacturing and installation of a new 100 megawatt submarine electric transmission cable from mainland Tanzania wer & Kigoma Distribution to Zanzibar; MCC is also rehabilitating approximately Distribution Systems Rehab & Extension 3,000 kilometers of transmission and distribution PRESENT lines in six regions. **Projected Long-Term Results** (Up to 20 years) ESTIMATED INCREASE IN ESTIMATED BENEFICIARIES HOUSEHOLD INCOME PROJECTED RESULTS BY END OF COMPACT PROGRESS TO DATE PROJECT ACHIEVEMENTS \$934.000.000 Increase in the quantity of All construction for Zanzibar The Government passed a new 1.564.499 electricity sold and number of interconnector, overhead lines. Electricity Act to update 75-year 20-year projected connected customers by the end distribution network extension, old legislation, fulfilling a compact benefits are based on of the project in six regions on the and substations underway. Works requirement. Its new provisions the best, currently mainland and in Zanzibar: and a 15 on the mainland electric lines have created an environment available, information percent reduction in the frequency began in May 2011. The interconmore conducive for private sector and may be updated if and duration of power outages. nector has been manufactured. participation and investment. new, more reliable, Feasibility study for a hydropower data are available. plant at a new location on the Malagarasi River is complete. Works on the Kigoma rehabilitation/expansion of distribution network are soon to commence. Solar PV program proposals are under review. TOTAL CONTRACT COMMITMENTS PROJECT COST TOTAL PROJECT EXPENDITURES<sup>†</sup> **Water Sector Project** \$64,210,589 \$56,430,166 \$23,940,404 Increase human and physical capital and reduce the YEAR 1 YEAR 2 YEAR 3 YEAR 4 YEAR 5 prevalence of water-related diseases by expanding Lower Ruvu Plant Expansion the capacity of the Lower Ruvu Water Treatment Plant from 180 to 270 million liters per day; rehabili-Non-Revenue Water tating water intake and water treatment plants, and Morogoro Water Supply improving the existing distribution network in the PRESENT city of Morogoro. **Projected Long-Term Results** (Up to 20 years) ESTIMATED INCREASE IN ESTIMATED BENEFICIARIES HOUSEHOLD INCOME PROJECTED RESULTS BY END OF COMPACT PROGRESS TO DATE PROJECT ACHIEVEMENTS Increase the number of household Construction contracts for the 2.801.856 \$113.000.000 The non-revenue water baseline and commercial water connecexpansion of the Lower Ruvu study of the Dar es Salaam 20-year projected tions; increase the water supply Water Treatment Plant and region was completed as part of benefits are based on the Water Sector Project. This is by 90 million liters per day in Dar rehabilitation/expansion of the best, currently es Salaam and; increase the water Morogoro water supply system the most comprehensive study available, information supply by 15 million liters per day were signed in late 2010 - early undertaken to understand the and may be updated if in Morogoro. 2011. Construction is underway. reasons contributing to the over new, more reliable, 50 percent loss of water in the data are available. system. This along with detailed plans for follow-on work will allow the Dar es Salaam Water and Sewer Authority to address the issue with significantly better accuracy.

The cancellation of the Malagarasi Hydropower activity due to environmental concerns, resulted in the following alternative activities: 1) conducting a feasibility study for a 41 MW hydropower plant (final reports now under review); 2) rehabilitating sections of the Kigoma transmission and distribution network (contract awarded); and 3) instituting a solar photovoltaic program for public, business and household sectors in Kigoma and Kasulu (IFB released on November 7th, closes on January 10th).

<sup>†</sup>Expenditures are the sum of cash outlays and quarterly accruals for work completed but not yet paid or invoiced.